scope for discretionary interpretation to stem corruption (vi) Establish effective mechanisms to resolve Centre-State issues, and (vii) Create National Thrust Areas which include Toursim, Power, Testiles and Agro-processing. The recommendations of the Commission, have been taken up with the concerned administrative Ministries/Departments.

(c) Because of the strategic reasons and for a growing economy, the requirement of the land for Defence, Railway, Road Transport and Highways purposes is ever increasing and this requirement can not be frozen.

Flow of funds from West Asia

3541. SHRI AMAR SINGH:
SHRI ABU ASIM AZAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of a large flow of funds from West Asia towards various banks in Bihar and several pockets of North-East;

(b) if so, whether any enquiry has been made to find out the actual users of these funds; and

(c) if so, what is outcome thereof and the action taken by Government against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Information is being collected and will be laid on the Table of the House.

Exporters involved in pulses scam

3542. SHRI SHAHID SIDDIQUI:
SHRI AMAR SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that exporters involved in the pulse scam had managed to ship huge quantity of pulses to foreign countries after imposition of ban on the export of dal on June 22, 2006;

(b) if so, what is the exact quantity of pulses exported after the imposition of the ban till date;

(c) what are the names of such exporters and what action have been taken against them; and

(d) whether officials of the Custom Department are also involved in the scam and if so, the details thereof and the action taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government had issued Notification No. 15(RE-2006)/2004—2009 dated 27.6.2006 under Section 5 of Foreign Trade (Development and Regulation) Act, 1992 read with paragraph 1.3 and 2.1 of Foreign Trade Policy 2004-2009, banning exports of specified pulses. This ban was imposed with effect from 22.6.2006. However, paragraph 1.5 of the Foreign Trade Policy 2004—2009 provided for transitional arrangements allowing exports or imports in specified cases, even when such a ban or restriction is imposed. Under this arrangement certain exporters continued to export pulses till March, 2007, when a complete ban was imposed on exports of pulses *vide* Notification No. 53(RE-06)/ 2004-2009 dated 9.3.2007.

(b) A totai quantity of 84081.20 MTs of various varieties of pulses was exported after 22.6.2006 till the complete ban was imposed. This includes exports allowed in pursuance of Court orders.

(c) and (d) the matter has been investigated by the Directorate of Revenue Inteliigence. The preliminary investigations indicate that there could have been manipulation of Letters of Credit in order to misuse the transitional clause of the Foreign Trade policy 2004-2009.

Three suspect exporters have been identified who may have manipulated the Letters of Credit and exported about 56548.47 MTs of Pulses fraudulently.

These exporters are:

(1) Jet King International, Delhi.

(2) Kohinoor Foods Limited, Delhi.

(3) KRBL Limited, Delhi

The preliminary investigation conducted does not reveal any involvement of the officials of Customs Department. The investigation of the case has been entrusted to the CBI.